

## PRESS RELEASE

city of Almaty

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### KASE presents results of the stock exchange market's operations in July 2023

Kazakhstan Stock Exchange JSC (hereinafter – KASE, the Exchange) reports the main results of activities in July 2023:

- The total volume of trading on KASE in July 2023 amounted to 38.5 trln tenge having increased by 28.4 %, or 8.5 trln tenge, compared to June.
- As a result of July, the value of KASE Index increased by 2.9 % to 3,707.73 points.
- Capitalization of the equity market increased by 4.7 % to 23.9 trln tenge, the volume of traded corporate debt decreased by 0.6 % to 13.0 trln tenge.
- As of August 1, 2023, corporate securities of 609 names of 223 issuers were on KASE trading lists.
- As of August 01, 2023, there were 683 thousand personal accounts of individuals in Central Securities Depository.

#### EVENTS

As part of the "Issuer Day" project, KASE hosted a meeting of executives of Home Credit Bank JSC on the topic "Investor Day. New bond issues and financial results of the Bank" with investors and professional participants of the securities market.

#### EQUITY MARKET

Based on results of July 2023, the capitalization of the equity market amounted to 23.9 trln tenge (53.7 bn USD), which is by 1.1 trln tenge, or 4.7 %, more than the same indicator of the previous month. The bulk of the growth came from index companies due to adjustments in their stock prices.

As of the end of July, shares of 100 names of 86 issuers were listed on KASE, of which shares of three names of three issuers were admitted to circulation in the "Unlisted securities" sector.

Ordinary shares of North Caspian Petroleum JSC were excluded from the Exchange's official list.

The volume of trades in shares in July amounted to 16.5 bn tenge, having increased by 72.7 %, or 6.9 bn tenge, compared to June. At the same time, the number of transactions increased by 29.3 % to 68,903. The average daily trading volume made up KZT822.7 mln, the average daily number of deals – 3,445, the average volume of one deal – KZT238.8 th. Trading took place exclusively in the secondary market.

Among the main categories of investors, the share of individuals accounted for 46.3 % of the total volume of transactions with shares. The share of banks accounted for 3.9 %, the share of broker-dealer organizations – for 10.5 %, the share of other institutional investors – for 1.6 %, the share of other legal entities – for 37.7 %. The share of non-residents was 32.9 %.

#### KASE INDEX

The value of KASE Index in July increased by 2.9 % and by the end of the month amounted to 3,707.73 points.

The volume of transactions in index shares in July 2023 amounted to 14.9 bn tenge, which is by 68.0 %, or 6.0 bn tenge, more than in June 2023. The largest volume of trades fell on common shares of NC KazMunayGas JSC – KZT11,134.0 mln (75.0 % of the total volume of trades with index shares).

### Change in prices of shares included in the KASE representative list

Issuer	Ticker	Price, tenge per share			Trading volume, mln tenge		
		as of 01.08.23	as of 01.07.23	Δ, %	July	June	Δ
Kaspi.kz JSC	KSPI	42,016.00	37,400.00	+12.3 %	366.6	151.8	+214.8
Kazakhtelecom JSC	KZTK	33,600.00	30,800.00	+9.1 %	399.6	270.9	+128.7
NC "KazMunayGas" JSC	KMGZ	10,935.90	10,097.99	+8.3 %	11,134.0	5,516.40	+5,617.6
Bank CenterCredit JSC	CCBN	686.98	679.97	+1.0 %	44.4	132.7	-88.2
Halyk Savings Bank of Kazakhstan JSC	HSBK	164.80	164.00	+0.5 %	929.1	936.6	-7.5
Kcell JSC	KCEL	1,899.97	1,900.00	-0.002 %	335.0	44.1	+291.0
KEGOC JSC	KEGC	1,568.55	1,573.93	-0.3 %	62.2	71.8	-9.6
KazTransOil JSC	KZTO	824.96	842.85	-2.1 %	782.1	1,269.40	-487.2
NAC Kazatomprom JSC	KZAP	12,257.32	13,096.82	-6.4 %	801.2	449.4	+351.8

According to the results of July, the growth leader were common shares of Kaspi.kz JSC, which grew by 12.3 %. As part of its published financial results, the company reported that the company's revenue for the second quarter of 2023 grew by 51 % YoY. The forecast for revenue growth by the end of the year has been raised from 25 % to 30 %. The fifth GDR buyback program for \$100 mln has been announced. A quarterly dividend of 750 tenge per share is recommended. At the end of the month, Kaspi.kz shares broke through the mark of 40 th. tenge per share and are traded at the level of January 2022.

The second place in terms of growth rates with a result of 9.1 % per month was shown by common shares of Kazakhtelecom JSC. The top three is closed by shares of NC KazMunayGas JSC, which grew in price by 8.3 %. On the international market, oil futures for Brent crude finished the month, rising in price from \$75.41 to \$84.69 per barrel.

Common shares of KazTransOil JSC at the beginning of the month also moved to growth, but by the end of July they corrected and closed with a decrease of 2.1 %. The company published operating results for the first half of 2023: the volume of oil transportation through the system of main oil pipelines increased by 6.5 %, while the consolidated cargo turnover decreased by 0.9 %.

Common shares of National Atomic Company "Kazatomprom" JSC decreased in price by 6.4 %. In early July, the company announced plans to reduce uranium production in 2023 by 20 % compared to production levels set under subsoil use contracts. Later, another 10 % reduction was announced for 2024. As NAC Kazatomprom JSC explained, the decrease in production indicators was due to a shortage of key materials, including sulfuric acid.

### "KASE GLOBAL" SECTOR

As of the end of July 2023, there were 44 shares and 14 ETFs of foreign issuers on the Exchange's trading lists in the "KASE Global" sector.

The trading volume in the "KASE Global" sector in July amounted to KZT10.5 bn having increased 8.5 times, or by KZT9.3 bn, versus June. At the same time, the number of transactions increased by 13.9 % to 5,163. The average daily volume of trades made up KZT524.7 mln, the average daily number of deals – 258, the average volume of one deal – KZT2,032.6 th.

At the end of the month, the largest volume of transactions fell on the following shares:

- Johnson & Johnson – 74 deals for a total of KZT4,696.1 mln;

- Apple Inc. – 378 deals for a total of KZT3,934.2 mln;
- Microsoft Corporation – 87 deals for a total of KZT1,002.9 mln;

Among the main categories of investors, the share of broker-dealer organizations accounted for 28.3 %, the share of other institutional investors – for 20.1 %, the share of other legal entities – for 45.4 %, the share of individuals - for 6.2 % of the total volume transactions. Participation of non-residents was 0.2 %.

## CORPORATE BONDS

The volume of corporate debt in circulation in July 2023 decreased by 0.6 %, or 72.5 bn tenge, to 13.0 trln tenge (29.2 bn USD).

As of the end of July 2023, corporate bonds of 368 issues of 89 issuers were on KASE official list. In July 2023, ten issues of corporate bonds of seven issuers (two new ones) were included in KASE official list: three issues of Home Credit Bank JSC, two issues of KazAgroFinance JSC and one issue of MFO "Toyota Financial Services Kazakhstan" LLP, Bereke Bank JSC and RG Brands Kazakhstan LLP, **Microfinance Organization "Vivus" LLP and Collection Agency "ID Collect" LLP.**

In July 2022, three issues of corporate bonds of three issuers were excluded from KASE official list: one issue each of Kazakhstan Sustainability Fund JSC and MFO "Credit Time" LLP due to the expiration of the circulation period and one issue of corporate bonds of MFO "CCLoan.kz" LLP in connection with their cancellation.

Bonds of MFO "OnlineKazFinance" JSC of 11 issues were transferred from the "bonds" and "commercial bonds" categories of the alternative market to the corresponding categories of the main market of KASE official list.

The value of the yield index of corporate bonds KASE\_BMY in July 2023 increased by 8 basis points to 14.08 % per annum.

The volume of trades in corporate bonds on KASE decreased relative to June by 51.7 %, or KZT98.1 bn, to KZT91.8 bn. The average daily trading volume made up 4.6 bn tenge (on the secondary market – 2.7 bn tenge), the average daily number of deals – 191 deals (on the secondary market – 183 deals), the average volume of one deal – 24.0 mln tenge (on the secondary market – 14.7 mln tenge).

In July 2023, the volume of the primary market for corporate bonds amounted to 37.8 bn tenge, which is lower than in June 2023 by 73.5 %, or 105.1 bn tenge:

- Kazakhstan Sustainability Fund JSC raised 24.6 bn tenge by placing two issues of bonds with a weighted average yield to maturity of 15.15–15.25 % per annum and maturity from one to three years;
- KazAgroFinance JSC raised 8.2 bn tenge by placing seven-year bonds at 19.25 % per annum;
- Home Credit Bank JSC raised KZT2.9 bn by placing three-year bonds with yield to maturity of 18.00 % APR;
- Microfinance Organization "OnlineKazFinance" LLP raised 1.8 bn by placing social bonds with a yield to maturity of 21.50 % per annum and a maturity of 1.9 years.

In terms of the main categories of investors in the primary market of corporate bonds, the share of banks was 62.2 %, that of brokerage and dealer organizations – 0.3 %, that of other institutional investors – 25.1 %, that of other legal entities – 6.9 %, that of individuals – 5.6 %. The share of non-residents in the primary corporate bond market was 0.4 %.

The volume of trading in the secondary bond market compared to June 2023 increased by 14.8 %, or by 7.0 bn tenge, to 54.0 bn tenge.

In terms of the main categories of investors in the secondary market of corporate bonds, the share of banks was 22.4 %, that of brokerage and dealer organizations – 11.5 %, that of other institutional investors – 14.1 %, that of other legal entities – 44.8 %, that of individuals – 7.1 %. The share of non-residents was 5.1 %.

## GOVERNMENT SECURITIES (GS)

The amount of public debt at face value, traded on KASE, amounted to 25.4 trln tenge (57.0 bn USD), having increased in July by 2.1 %, or 529.8 bn tenge.

The total volume of trades in GS on KASE amounted to KZT985.2 bn having decreased relative to June by 39.4 %, or KZT639.7 bn. At the end of July 2023, the average daily trading volume made up 49.3 bn tenge (in the secondary market – 17.2 bn tenge), the average daily number of transactions was 26 (in the secondary market – 19), the average volume of one transaction was 1.9 bn tenge (in the secondary market – 0.9 bn tenge).

The volume of trades in the primary GS market decreased by 49.2 %, or by KZT620.9 bn, to KZT641.6 bn. Of these, 35.5 bn tenge was raised by the akimdiks of three regions and the cities of Astana and Shymkent (in order to finance activities provided for in the framework of the implementation of state programs). The Ministry of Finance raised 606.1 bn tenge by placing bonds at 11.60-14.70 % per annum and a maturity of one to 13.6 years.

In terms of the main categories of investors in the primary market, banks accounted for 51.1 %, brokerage and dealer organizations – for 0.1 %, other institutional investors – for 42.6 %, other legal entities – for 6.2 %. The share of non-residents in the primary GS market was 0.1 %.

The trading volume in the secondary market decreased by 5.2 %, or by 18.8 bn tenge, and amounted to 343.7 bn tenge. The share of trading in notes of the National Bank in the secondary market amounted to 44.6 %, or 153.3 bn tenge of the total trading volume, the share of MEKAM – to 48.5 %, or 166.7 bn tenge, the share of Eurobonds of the Republic of Kazakhstan – to 0.2 %, or 669.6 mln tenge. The rest of the volume, amounting to 6.7 %, or 23.1 bn tenge, fell on transactions with government securities of foreign countries (bonds of the US Department of the Treasury, Republic of Türkiye and the Republic of Austria).

In terms of the main categories of investors in the secondary market, banks accounted for 48.7 %, brokerage and dealer organizations – for 4.3 %, other institutional investors – for 2.3 %, other legal entities – for 44.4 %, individuals – for 0.3 %. Participation of non-residents is estimated at 0.1 %.

## BONDS OF INTERNATIONAL FINANCIAL ORGANIZATIONS (IFIs)

As of the end of July, KASE trading lists included bonds of 54 issues of five international financial organizations: 11 issues of the Asian Development Bank, 26 issues of the Eurasian Development Bank, 14 issues of the European Bank for Reconstruction and Development, two issues of the International Finance Corporation and one issue of the Islamic Corporation for the Development of the Private Sector.

In July 2023, one issue of bonds of the Eurasian Development Bank was included in the "Securities of international financial organizations" sector.

In the reporting month, the entire trading volume fell on the secondary market and amounted to 5.4 bn tenge against 5.1 bn tenge a month earlier, having increased by 0.3 bn tenge, or 5.8 %. The average daily trading volume amounted to KZT271.9 mln, the average volume of one deal was KZT247.2 mln.

In terms of the main categories of investors in the secondary market of bonds of international financial organizations, 14.9 % were banks, 0.8 % – broker-dealer organizations, 32.7 % – other institutional investors, 50.8 % – other legal entities, 0.8 % - individuals. Non-residents did not participate in the trading in securities of international financial organizations.

## UNITS OF INVESTMENT FUNDS

As of August 1, 2023, there were 18 instruments of unit investment trusts managed by five management companies and six ETFs in the "Securities of investment funds" sector.

In the reporting month, the trading volume amounted to 312.6 mln tenge having decreased relative to June 2023 by 61.8 %, or 504.9 mln tenge. In terms of the main categories of investors, 49.4 % fell on individuals, 29.2 % – on broker-dealer organizations, 21.5 % – on other legal entities. The share of non-residents was 0.1 %.

## DERIVATIVE SECURITIES

As of August 1, 2023, KASE official list contained global depository receipts (GDRs) of five issues, the underlying assets of which are common shares of National Atomic Company "Kazatomprom" JSC, Halyk Bank of Kazakhstan JSC, Kaspi.kz JSC, Kaspi.kz JSC, Kazakhtelecom JSC and ForteBank JSC.

The trading volume in July 2023 amounted to 37.3 mln tenge having decreased compared to June 2023 by 45.6 %, or 31.3 mln tenge. In terms of the main categories of investors 57.5 % fell on the accounts of individuals, 39.4 % – on broker-dealer organizations and 3.1 % – on other legal entities. The share of non-residents was 0.2 %.

## ACCOUNTS OF INDIVIDUALS IN THE SECURITIES MARKET

As of August 1, 2023, there were 683 thousand personal sub-accounts of individuals in the Central Securities Depository. According to the results of July, individuals registered more than 1 thousand new personal sub-accounts.

## FOREIGN CURRENCY MARKET

In July this year, 30 KASE members took part in trades on KASE's foreign currency market.

The volume of trades in the foreign exchange market increased relative to June by 30.0 % to 3.0 trln tenge. The average daily trading volume increased from 110.2 to 150.5 bn tenge, the average daily number of deals increased from 481 to 692, the average volume of one deal decreased from 228.9 to 217.4 mln tenge.

The table below shows the main characteristics of the currency pairs traded on KASE (in parentheses is the change in the indicator against the previous month, the change in the exchange rate reflects the nominal change in the weighted average exchange rate of foreign currency against tenge).

Pair	Volume, mln units of currency	Share in trading volume, %	Number of deals	Min. and max. rates, number of quoted currency per unit of basic currency	Exchange rate as of the end of June (chg. %)
USD/KZT	3,191.3 (+14.0 %)	47.1 % (-7.2 %)	10,204 (+3,295)	439.04-450.95	445.89 (-1.4 %)
RUB/KZT	22,439.0, (-24.1 %)	3.7 % (-3.2 %)	2,594 (+266)	4.8200-5.1500	4.8636 (-5.1 %)
CNY/KZT	733.4 (x2.5)	1.5 % (+0.7 %)	157 (+22)	61.0800-62.5900	62.3500 (-0.4 %)
EUR/KZT	103.7 (+20.6 %)	1.7 % (-0.1 %)	475 (+133)	482.29-502.76	491.49 (-0.9 %)
EUR/USD	2,474.5 (+65.1 %)	40.5 % (+8.8 %)	268 (-52)	1.0874-1.1255	1.1020 (+1.5 %)
USD/ CNY	369.2 (+58.7 %)	5.5 % (+0.9 %)	146 (+69)	7.1353-7.2545	7.1475 (-1.6 %)

## MONEY MARKET

The total volume of trading in the money market in July amounted to 34.4 trln tenge having increased by 33.1 %, or 8.5 trln tenge, compared to June.

On July 5, the Monetary Policy Committee of the National Bank of the Republic of Kazakhstan decided to leave the key rate at 16.75 % per annum with an interest corridor of +/- 1.00 percentage points. Accordingly, the rate on standing access operations to provide liquidity was 17.75 %, on standing access operations to withdraw liquidity – 15.75 %.

The composite money market indicator MM\_Index, which is the average value of the yield on USD/KZT currency swap transactions and automatic repo transactions with GS opened for one business day,

weighted through the volume of transactions, decreased over the month by 64 b.p. from 17.60 % to 16.96 % per annum.

## REPO TRANSACTIONS MARKET

The total volume of repo transactions in July amounted to 30.8 trln tenge, which is higher than the volume of June by 8.8 trln tenge, or 40.2 %. In average daily terms, the volume of transactions increased from 1,044.7 to 1,538.0 bn tenge, the average volume of a deal – from 795.6 mln to 1,086.9 mln tenge, the average daily number of transactions – from 1,313 to 1,415.

Auto-repo transactions with government securities totaled 25,444.5 bn tenge, or 82.7 %, auto-repo with securities – 5,314.1 bn tenge, or 17.3 %, nego repo with CS – 2.0 bn tenge, or 0.01 %, nego repo with GS – 23.0 mln tenge, or less than 0.01 %.

By the end of July, the TONIA indicator (weighted average interest rate on repo opening deals for a period of one business day, concluded on the Exchange in the sector of auto repo with securities of the GS Basket) fell by 61 b.p.: from 17.61 % to 17.00 % per annum.

The TRION indicator (weighted average interest rate on repo opening deals for a period of one business day, concluded on the Exchange during the day in the sector of auto repo with securities of the GS Basket, for which the Exchange carries out clearing activities using services of the Central Counterparty) also decreased by 53 b.p.: from 17.54 % to 17.01 % per annum.

The TWINA indicator (weighted average interest rate on repo opening deals for a period of seven working days, concluded on the Exchange in the sector of auto repo with securities of the GS Basket, for which the Exchange carries out clearing activities using services of the Central Counterparty) decreased by 45 b.p.: from 17.16 % to 16.71 % per annum.

## CURRENCY SWAP OPERATIONS

The total volume of currency swap transactions in July amounted to 3.6 trln tenge, which is lower than the volume of June by 0.3 trln tenge, or 7.1 %. The average daily volume of transactions decreased from 184.8 to 180.3 bn tenge, the average daily number of daily transactions increased from 15 to 18, the average volume of a transaction decreased from 12.1 to 10.2 bn tenge.

In the instrumental structure, KZT3,606.2 bn., almost the entire volume of the swap trades fell on USDKZT swaps, KZT1.0 bn, or less than 0.01 %, – on EUR KZT.

In the USDKZT pair, 14.2 % of the total volume of trading in swaps (510.6 bn tenge, or 1,149.8 mln USD) fell on transactions with the one-day currency swap (USDKZT\_0\_001), 84.9 % of the total volume of trading in swaps (3,060.0 bn tenge, or 6,885.5 mln USD) – on deals with the two-day currency swap (USDKZT\_0\_002), 1.0 % of the total volume of trading in swaps (35.5 bn tenge, or 80.0 mln USD) – on deals with the one-week currency swap (USDKZT\_0\_01W).

In the EUR KZT pair, the entire volume (KZT97.2 mln, or EUR200 th.) fell on deals with the one-day currency swap (EUR KZT\_0\_002).

The yield of the one-day dollar swap SWAP-1D (USD) as of the end of July made up 14.55 % per annum having decreased by 235 b.p. in July. The yield on the two-day currency swap SWAP-2D (USD) fell by 108 b.p. to 14.90 % per annum over the month.

## DERIVATIVES MARKET

Currently, non-deliverable futures for the US dollar against the tenge, the Russian ruble against the tenge, KASE Index, common shares of Halyk Savings Bank of Kazakhstan JSC and NAC Kazatomprom JSC are available for trading in this sector of the exchange market.

With regard to futures on KASE Index, in July NGDEM Finance JSC was assigned the status of a market-maker on KASE. For futures on common shares of Halyk Savings Bank of Kazakhstan JSC, the duties of a market-maker are performed by Halyk Finance JSC.

In July, one deal was concluded in the derivatives market with futures for the exchange rate of the Russian ruble against the tenge in the amount of 3.5 bn tenge. As of August 1, open positions of trading participants in the derivatives market amounted to 700 th. futures.

**For reference**

Kazakhstan Stock Exchange (KASE) is a leading stock exchange in the Central Asian region. KASE occupies the second place among the CIS exchanges in terms of securities trading volume, and the fourth place in terms of the equity market capitalization among the FEAS exchanges.

It is a universal trading platform for corporate and government securities, bonds of international financial organizations, foreign currencies, transactions of the money market – repo and swap, as well as derivatives. KASE is a member of the World Federation of Exchanges (WFE), the Federation of Euro-Asian Stock Exchanges (FEAS) and other international and local professional associations, as well as a participant of the UN's "Sustainable Stock Exchanges" initiative.

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